

JPRS-KAR-87-031

22 MAY 1987

546-1802-87  
249 cyp

# Korean Affairs Report

SPECIAL NOTICE INSIDE

**FBIS**

FOREIGN BROADCAST INFORMATION SERVICE

### SPECIAL NOTICE

Effective 1 June 1987 JPRS reports will have a new cover design and color, and some reports will have a different title and format. Some of the color changes may be implemented earlier if existing supplies of stock are depleted.

The new cover colors will be as follows:

CHINA.....	aqua
EAST EUROPE.....	gold
SOVIET UNION.....	salmon
EAST ASIA.....	yellow
NEAR EAST & SOUTH ASIA...	blue
LATIN AMERICA.....	pink
WEST EUROPE.....	ivory
AFRICA (SUB-SAHARA).....	tan
SCIENCE & TECHNOLOGY.....	gray
WORLDWIDES.....	pewter

The changes that are of interest to readers of this report are as follows:

The SOUTHEAST ASIA REPORT (SEA) will be titled EAST ASIA/SOUTHEAST ASIA (SEA).

The JAPAN REPORT (JAR) will be titled EAST ASIA/JAPAN (JAR).

The KOREAN AFFAIRS REPORT (KAR) will be titled EAST ASIA/KOREA (KAR).

The MONGOLIAN REPORT (MON) will be titled EAST ASIA/MONGOLIA (MON).

KOREA: KULLOJA (AKU) will be issued as a separate series under EAST ASIA.

VIETNAM: TAP CHI CONG SAN (ATC) will be issued as a separate series under EAST ASIA.

If any subscription changes are desired, U.S. Government subscribers should notify their distribution contact point. Nongovernment subscribers should contact the National Technical Information Service, 5285 Port Royal Road, Springfield, Virginia 22161.

#### NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

22 MAY 1987

# KOREAN AFFAIRS REPORT

## CONTENTS

### INTER-KOREAN AFFAIRS

Kumgangsan Dam To Place Dolmen Tombs Under Water (THE KOREA TIMES, 9 Apr 87) .....	1
---	---

### SOUTH KOREA

#### GOVERNMENT, POLITICS

Timetable for Unveiling of No T'ae-u as Presidential Candidate (TONG-A ILBO, 14 Apr 87) .....	2
Editorials on 13 April Presidential Decision (Editorial; TONG-A ILBO, various dates) .....	5
Political Tragedy	5
Need for Political Dialogue	7
DJP To Nominate Presidential Candidate 10 June (THE KOREA TIMES, 28 Apr 87) .....	9
Results of Yi-Kim Meeting Discussed (Kim Ch'ang-ki, Kim Hyon-ho; CHOSON ILBO, 17 Jan 87) ....	11
Policy Measures Outlined for 'Era of Local Emphases' (Yi Sang-ch'ol; CHOSUN ILBO, 28 Mar 87) .....	16
ROK Daily Calls on Politicians To Create Democratic Stability (Editorial; THE KOREA TIMES, 28 Apr 87) .....	17
HERALD Editorial Ponders Morals of Lawmakers (THE KOREA HERALD, 25 Apr 87) .....	19

Prosecution Arrests Assemblyman on Forgery Charges (THE KOREA TIMES, 24 Apr 87) .....	21
ROK Prosecution Arrests Publishers of Leftist-Oriented Books (THE KOREA HERALD, 29 Apr 87) .....	23
Movements Against President Chon's 13 April Announcement Reported (Various sources, various dates) .....	24
Priests Continue Hunger Strike	24
Andong, Wonnu Priests Fast	24
Kwangju Priests End Hunger Strike	25
Songkyunkwan University Professors Urge Democratization	25
Former Socialist Party Head To Strike	26
Sogang University Professors Issue Statement	26
Novelists, Poets Issue Statement	26
Students Hold Demonstrations on In-Campus Issues (THE KOREA TIMES, 1 May 87) .....	27
Student Movements Appear Noticeably Quieter (Hong Chun-ho, et al.; CHOSUN ILBO, 15 Mar 87) .....	28
Kyongbuk University Students Continue Campus Rally (THE KOREA HERALD, various dates) .....	32
Kyongbuk University President Resigns	32
Students Continue Boycott	32
Police Investigating Wall Poster at Seoul University (THE KOREA HERALD, 23 Apr 87) .....	34
Demise of One Campus Movement Organ (CHOSUN ILBO, 31 Mar 87) .....	35
Briefs	
Dissident Leaders Stage Sit-in	36
Calls for Direct Presidential Election	36
Kyongbuk University Students Boycott Classes	36
Steps To Rebuild NKDP	37
ECONOMY	
Briefs	
Management of Shipping Company	38
SOCIAL ISSUES	
ROK Ministry Issues Bill To Prevent AIDS Spread (YONHAP, 30 Apr 87) .....	39
AIDS Test Kits Due for Local Production (NEWSREVIEW, 14 Mar 87) .....	40

## FOREIGN RELATIONS, TRADE

Secretary Ealdrige Speaks at KTA Meeting (THE KOREA HERALD, 21 Apr 87) .....	41
Solarz Holds Press Conference at End of Visit (THE KOREA HERALD, 21 Apr 87) .....	43
ROK Daily Views Passing of 'Gephardt Amendment' (Editorial; THE KOREA TIMES, 1 May 87) .....	44
Japan, ROK Agree To Cooperate on Nuclear Safety (KYODO, 30 Apr 87) .....	46
Bhutanese Foreign Minister Arrives for 4-Day Visit (YONHAP, 30 Apr 87) .....	47
ROK To Remove Tariff Barriers, Speed Up Imports (THE KOREA HERALD, 18 Apr 87) .....	48
517 Foreign Technologies Paid \$411 Million for Royalties (THE KOREA TIMES, 18 Apr 87) .....	50

## NORTH KOREA

### ECONOMY

Seven-Year Economic Plan Under Yi Cabinet (NAEWOE TONGSIN, No 529, 20 Mar 87) .....	51
--	----

/9987

## INTER-KOREAN AFFAIRS

### KUMGANGSAN DAM TO PLACE DOLMEN TOMBS UNDER WATER

Seoul THE KOREA TIMES in English 9 Apr 87 p 7

[Text]

The Kumgangsan Dam, a huge construction project now under way in north Korea, will place under water dolmen tombs and other archaeological objects in an extensive Puk (North) Han River basin area, one of north Korea's prehistoric culture zones, by the time it is dedicated, and archaeologist from Kangwon University, Chunchon, said recently.

"North Korean archaeologists have to carry out a field survey in the vast area along the Puk Han River in a most careful way. They should work out plans for move-out on some of the important relics there," said Choe Pok-kyu, director of the Kangwon University Museum.

Choe made a field survey to some 40 dolmen tomb units in the ex-submerged area of the Paro-ho Lake from January through March this year, and his report on the trip was published in the latest issue of "Peace Dam," a journal published by the Pan-National Committee for the Peace Dam Construction.

Dolmen tombs he examined this time were left under water in 1944 when the Japanese colonial administrators constructed the Hwachon Dam in Yanggu and Hwachon area of Kangwon-do province for more than 42 years until the authorities started the Peace Dam construction in December, last year.

Paro-ho, an artificial lake built in the Hwachon Dam construction, was drained for the Peace Dam project, and the submerged villages appeared again in 42 years, along with the archaeological relics including dolmen tombs.

"I've discovered some 40 dolmen tombs in villages from Kodae-ri, Yanggu, through Ha-ri and the sandy beach of the So-chon River to Kongsu-ri. A closer study of these tombs, some of them

partially destroyed, will begin early this month," Choe said in the report.

The to be submerged areas in the north for the Kumgangsan Dam, according to him, belongs to the same prehistoric culture zone of this Yanggu-Hwachon region, since they were built along Puk Han River.

"We can find documents, 'A Report on Choson's Cultural Treasure Relics' published in 1942 during Japan's rule, and recent publications in north Korea that could support our assumption on this ancient culture zone."

Two "table-style" dolmen tombs were confirmed in the 1942 report on cultural relics, at modern Hoeyang gun in north, along with stone arrowheads and a stone axe, also in a neighboring area in the north.

"The Japanese colonial administrators should have commissioned a specialist team to a field survey on relics of archaeological importance when they built the Hwachon Dam in 1942-44. I hope the north Korean authorities would not repeat the same mistake this time," Choe said.

The ex-submerged Yanggu area which holds some 40 dolmen tombs, according to him, was probably a walled town state with a population of some 800 to 1,000.

One of the tombs was moved out of water in 1971 by the Yanggu county office. It has a "cover stone" which is 3.7 meters east-west, 3.5 meters south-north, and the "supporting stone" which is 1.8 meters by 0.59 meters.

"It weighs some 21 tons, a weight that could be handled by some 200 grownup males. That fact gives hint to a possibility that the population in this region stood at least 800," he said.

/9274

CSO: 4100/177



S. KOREA/GOVERNMENT, POLITICS

TIMETABLE FOR UNVEILING OF NO T'AE-U AS PRESIDENTIAL CANDIDATE

Seoul TONG-A ILBO in Korean 14 Apr 87 p 1

[Text] In preparation for the scheduled transfer in February 1988 of government power, the DJP has, for all practical purposes, begun the process toward early unveiling of Chairman No T'ae-u as its candidate for the presidency.

On 14 April, by way of providing concrete embodiment to President Chon Tu-hwan's special statement, the DJP decided to take the following course of actions: to give real substance to the announced intention to transfer government power in February 1988 by the act of surfacing a candidate for the next president; and, in support of that goal, to strengthen a public-relations campaign aimed at the people through phased expansion of democratization measures.

On this subject, a key functionary of the DJP had this to say: "Using President Chon's special statement announcing the important decision as the turning point, the process of grooming Chairman No as Chon's successor, which had been in progress in a gradual and secretive manner, has now entered the phase of coming out in the open." "In point of fact," he added, "the ruling party's selection of its candidate for the next president is all but completed, except for the formalities of nominating Chairman No at the party's national convention."

Continuing, the same functionary disclosed as follows: "Accordingly, the DJP will hasten the unveiling of President Chon's successor by holding the party's regional reform conventions as well as national convention even earlier than they are scheduled now in a move to let the people directly perceive the party's honorable intention to carry out President Chon's promise of single term in office." He also let it be known that the DJP was planning to undertake nationwide image-building efforts for Chairman No by having him appear at the forefront of various democratization programs yet to be implemented and also play central roles on such occasions as the party's regional reform conventions.

Another well-informed source hinted that a concerted effort to enhance Chairman No's status would be launched through a series of meetings--large and small, and of various kinds--to be held between representatives of the DJP and the government beginning 15 April. In this connection, the source let it be reminded that there have been steps taken at high-level open sessions, such as the joint meeting of DJP and government officials held at the Blue House on 25 March, to signal Chairman No's having been entrusted with full power to deal with the political situation.



Still along the same vein, a key individual involved in the ruling circles had this to say: "That the special statement of President Chon's singled out and gave high marks to all the efforts made by the DJP toward constitutional reform through mutual agreement ought to be understood as a well-thought-out move in support of the strategy to promote Chairman No as Chon's successor." In so saying, this individual provided an indirect confirmation that such was indeed the case.

The same individual went on: "What made President Chon's decision particularly convincing was that it reaffirmed, more firmly than ever, his intention to serve just one term. Meanwhile, at this point in time, when the step-by-step process of bringing Chon's single term to its conclusion is about to begin, it is unrealistic to expect the candidate to succeed him to emerge from outside the DJP or from nowhere out of blue." "Therefore," he added, "it is unlikely that there be any fundamental changes included in a reshuffle of the party and government lineups expected in early May, when the current terms of offices in the National Assembly expire." These concluding words of his suggested the likelihood that there be no change either in the status of National Assembly Speaker Yi Chae-hyong or in the No-and-No [No T'ae-u and No Sin-yong] leadership of the party and the government.

In the meantime, as part of the postnomination planning for Chairman No following his selection as the candidate for the next president at the party's national convention in June, the DJP has been quietly working on a tightly-held plan for No's visit to the United States sometime in July. "If the trip materializes, Chairman No will hold his own with impressive logic in his dealings with those in and out of the government there," said one who is involved in the trip planning, indicating that No's visit to the United States will in fact mark the beginning of summit-level diplomacy leading into the era of the DJP's reign the second time around.

On another front, working toward the goal of implementing a local self-government system before the end of the year, the DJP intends to complete the necessary legislative program at a special session of the National Assembly in May. Under the system's scope currently envisioned by the DJP, its implementation will be limited to the establishment of two or so autonomous entities at the basic local levels of town, district, and ward in each of the 10 cities and provinces; these will serve as trial models.

The DJP has also decided to mobilize all its members of the National Assembly as well as its entire organization for a nationwide campaign to persuade the people of the inevitability of the major decision just announced by President Chon; and to hold weekly meetings of its central executive committee to push democratization measures forward. In addition, the DJP has worked out a detailed agenda designed to enhance Chairman No's status as President Chon's successor--the status that has already become visible in practical sense.

All DJP members of the National Assembly and principal functionaries of the party will call on the Blue House on 15 April. This will be followed on 17 April by a meeting of the party's central executive committee for the purpose of reaffirming the party's resolve to implement the important decision announced

by President Chon. After that, the DJP is to announce the details of those democratization measures which have so far been advanced by the party and the government.

In conjunction with all the above, the DJP has established the following outline for its mid- and long-range political agenda: to commence holding the party's regional reform conventions starting late April; to call a special session of the National Assembly in early May; to hold the party's national convention and select its presidential candidate in late June; to arrange Chairman No's visit to the United States in July; and to hold the presidential election sometime in December.

9977/12859

CSO: 4107/166

## S. KOREA/GOVERNMENT, POLITICS

### EDITORIALS ON 13 APRIL PRESIDENTIAL DECISION

#### Political Tragedy

Seoul TONG-A ILBO in Korean 13 Apr 87 p 2

[Editorial: "Tragedy for Korea's Politics"]

[Text] The constitutional amendment issue, which has drawn attention at home and abroad and which has divided public opinion, is being brought to a conclusion with 13 April as a turning point. This is because the political situation has now reverted to the original point where the ruling party had insisted on "adhering to the existing constitution." A year ago, the 30 April 1986 Blue House meeting by the representatives of the three parties resulted in the shift in the ruling party's stance from the "preservation of the constitution" to a "possible revision of the constitution."

The important points of President Chun Tu-hwan's crucial decision of 13 April, which was announced in the form of a special statement, are as follows:

"On the basis of my Judgment that a revision of the constitution during my tenure is impossible, I will turn over the reins of government to my successor at the end of my term on 25 February next year." The constitutional revision issue will again be discussed, after the changeover of the government and the completion of the Seoul Olympics. Accordingly, the statement says, the election of an electoral college and the presidential election will be held this year. Prior to this, the DJP will nominate its presidential candidate at a party congress at an early date.

The statement adds that the president declares that the unproductive debate over the constitutional revision issue, which divides public opinion and which saps national strength, be negated.

Hearing this news, the public has been at a loss as to why so much time and energy were spent on the debate over the constitutional amendment issue if things was to come to this pass. It feels disappointed, even disgusted, with all the politicians of our country for this state of affairs.

Still ringing loudly in our ears are the voices of our politicians stating that "a consensual revision of the constitution is the only way of survival."

Still vivid in our memories are the obstinacy of those politicians despite their talk of consensus, as well as the pledge by the leaders of the ruling party that they would not revert to their stance of preserving the present constitution even if the constitution was not to be revised.

We also wonder what will happen to the opposition party, which has gone so far as to be split because of the internal squabble over the party line concerning the constitutional issue. Many people had speculated that a decisive moment would be delayed partly because the opposition parties were in the process of realignment and the representative of the ruling party who were said to have been entrusted with full powers did not have enough time to exercise his authority.

Nevertheless, attention is focused on whether the party in power will be able to push its "new stance of preserving the present constitution intact" without a hitch. This is because it is hard to believe that the political motive or the situation behind which the ruling party made an about-face a year ago from the "preservation of the present constitution" to a "possible revision of the constitution" has now changed significantly. This is also the reason why we are concerned whether the ruling party will be able to manage to lead the way through the present political situation as it is.

Needless to say, the "policy of admitting to a possible constitutional amendment" was one of the measures to cope with the political circumstances. By the same token, the "new stand of preserving the constitution" could be one of the political prescriptions to cope with the situation which bars a consensual constitutional agreement. True, in particular, as the first opposition party has stiffened, the other side of the dialogue has also become tougher. But we wonder whether all avenues are blocked completely.

For the ruling party, which gives the highest priority to the government changeover in 1988 and the success of the Seoul Olympics, the important decision in question may have been an unavoidable option.

No one denies that a peaceful government changeover in 1988 will mark a gigantic step toward the development of democracy. Nevertheless it is no less important to prepare for the coming era with a determination to realize democratization under a new constitution designed to dispose of the legacy which should have been liquidated in the seventies.

From this point of view, we earnestly hope that the latest presidential decision will serve as an opening in the future voyage toward the destination of a consensual constitutional amendment rather than signify the termination of the debate of the constitutional revision issue.

When will Korea have no more political tragedies?

## Need for Political Dialogue

Seoul TONG-A ILBO in Korean 15 Apr 87 p 2

[Editorial: "Yet Dialogue Must Be Continued"]

[Text] The political scene has been moving very fast these several days. Once the decision has been made, everything seems to be picking up speed at full gallop. Seeing the chances for the "consensual constitutional amendment" that they so ardently desired becoming more remote, the people feel really frustrated and sad. Things would not have come to this pass if our politicians, looking squarely at reality, had done their best and had coped more resourcefully with the best opportunity ever presented in the history of our constitutional form of government. This is indeed frustrating.

Under these circumstances, Cardinal Kim Su-hwan, referring to the political situation, stated that the people have been so saddened by the dashing of their cherished dream of constitutional revision that not a single day will pass without seeing tears on their faces. He added that no matter how vacuous politics may be in the context of the present realities, there is no ground for us to abandon our hope for a life worth living. The Korean Bar Association also has issued a statement saying that although the split of the NKDP deserves censure, it cannot be a valid reason for postponing the constitutional revision. Meanwhile, across the ocean, the U.S. State Department also issued a statement saying "we hope that the ruling and opposition parties in Korea will reflect on the various actions of the past week." All this is a demonstration of the disappointment and frustration felt at home and abroad at the failure to achieve a compromise and bring the dialogue to a successful end.

Given the present acute situation, there seems to be not much choice left for both the ruling and the opposition parties. For the opposition, now that it has made what appears to be a final option, it would be difficult to change the direction. It is showing its guts, rather than determination, to go "our own way" whatever the opposition may say. On the other hand, the opposition may be thinking that if that is the case, there will no choice but to wage a strong fight outside the parliament. Nevertheless, Kim Yong-sam, chairman of the preparatory committee for the Unification Democratic Party, has called for another dialogue.

Here we want to make this appeal: "Yet the dialogue must be continued." Because of the situation, because of the state of affairs, and because of it, dialogue is all the more urgently needed. If they gave up politics altogether, it may be a different story. But if they are going to continue to engage in politics, they should never cease in efforts to look for an avenue of dialogue. Instead of permitting themselves to be overwhelmed by passing emotions and exchanging actions of force and reactions, they should have a deep self-reflection as to what the proper state of politics is.

The "13 April decision" has not lightened the burdens of the ruling party at all. Most probably, the ruling party is well aware that the decision has rather put more onerous burdens on them. We would like to believe that the

ruling party still thinks that there is no other wish than that a compromise will be reached even now so that the "February 1988" and the Olympics in the fall of the same year can be celebrated as festive occasions. The opposition party for its part should indulge in painstaking soul searching to find out what it has gained by its intransigence and what is the judicious road it should take now, even belatedly.

Under whatever circumstance, and for whatever reason, a lack of communication and dialogue between political groups will benefit nobody. We hope that the ruling and opposition parties will bear this in mind at this difficult juncture.

13311

CSO: 4107/170



S. KOREA/GOVERNMENT, POLITICS

DJP TO NOMINATE PRESIDENTIAL CANDIDATE 10 JUNE

SK280021 Seoul THE KOREA TIMES in English 28 Apr 87 p 1

[Text] The ruling Democratic Justice Party finalized a plan to hold a national convention to nominate its presidential candidate on 10 June, in a meeting of the Central Executive Council, yesterday.

The ruling party has vowed to pick its presidential candidate "under democratic procedures in accordance with the party charter and regulations."

According to the finalized plan, the nomination of the presidential candidate will be conducted through a secret ballot, even if there is only one contender.

Party Chairman No Tae-u is now certain to be nominated unanimously by 7,987 delegates to the convention.

Besides the delegates to the national convention, some 4,000 leading members of society will be invited to the convention, "considering the great significance of the convention laying the groundwork for the unprecedented peaceful transfer of government," a spokesman said.

The DJP presidential nominee is expected to take over power from President Chon Tu-hwan, through an indirect presidential election by an electoral college late this year.

The [word indistinct] major opposition Party for Reunification and Democracy led by Kim Yong-sam and Kim Tae-chung has already declared a boycott of the upcoming presidential election under the current Constitution.

President Chon announced a plan to safeguard the 1980 Constitution until after the 1988 Olympics, withdrawing the earlier promise to change it, last 13 April

The early nomination is aimed to demonstrate the will to effect a power transfer and to allow enough time to build up public support for the candidate, party sources said.

Prior to the national convention, the DJP will hold district conventions and rallies to rearrange its 92 local chapters from 15 May through 27 May.



Following the district conventions, the DJP will form a committee to manage the presidential nomination to be composed of up to 50 members led by party Secretary General Yi Chun-ku.

The DJP committee, it is presumed, will handle just procedural matters for recommending the DJP chairman as the only candidate for the presidential nominee.

Under the current party charter, any party member can contend for presidential nomination by the recommendation of one-tenth or more of the delegates to the national convention or through the recommendation of the Central Executive Council.

The recommendation of Chairman No is expected to be made at a Council meeting in early June following the completing of district conventions.

As for the tightly scheduled timetable of the DJP on district conventions, DJP officers say that not much time is required for district conventions to select delegates to the national convention when the chairmen of the chapters are not replaced.

But political observers say that the DJP may have concluded that it had better finish holding district conventions before the projected new "strong and clear-cut opposition party" mounts political offensives against the ruling camp after it is officially founded on 1 May.

/9274

CSO: 4100/183

## S. KOREA/GOVERNMENT, POLITICS

### RESULTS OF YI-KIM MEETING DISCUSSED

Seoul CHOSON ILBO in Korean 17 Jan 87 p 3

[Article by Reporters Kim Ch'ang-ki and Kim Hyon-ho]

[Text] As a result of the 15 January meeting of party President Yi Min-u and permanent advisor Kim Yong-sam, the "Yi Min-u Plan" has for all practical purposes been wiped out and the confrontational political condition has returned. On the evening of the 15th, President Yi remarked that "talk of a white flag is nonsensical." Nevertheless, it is a dominant view, both in and out of the party, that the "Yi Min-u Plan" has collapsed. I believe that because politics is a relative matter, if others treat it as a white flag, then it is a white flag, even if the person involved insists that it is not.

What is puzzling is how President Yi, who, when he had been in Onyang, had bitterly criticized the two Kims by saying that he was determined to push his plan even at the risk of jeopardizing his presidency, has come around and made a humiliating apology, even using the expression "I am sorry." What transpired at that meeting between President Yi and Advisor Kim is still questioned.

#### "Sell out" Charged

On the basis of the remarks that he has made, during the meeting on the 15th, close associates of Advisor Kim are inclined to believe that he might have argued a series of issues, strictly from the standpoint of principle. But according to President Yi's pronouncements on the same evening, terms such as "sell out" (Sakura) were used during the meeting. Judging from this, the language that Advisor Kim used at the meeting seems to be much more than a simple question of principle, but a very straightforward and accusatory statement.

The remarks that President Yi made that "it almost made me think of giving up everything, becoming an ordinary citizen, and peacefully spending the rest of my life," seem to corroborate such a speculation. Putting together all the accounts which have leaked out from the associates of the two men up to the 16th, it seems likely that Advisor Kim, at the morning meeting of the 15th, straightforwardly pointed out, item-by-item, the damages done to the party

through Yi's talk about "democracy first" and his trip to Onyang, the political damage inflicted on the two Kims, who have been active supporters of his struggle against the ruling party, and his references to the various rumors now circulating.

#### Unexpected Attack

The fact that Advisor Kim's talk dominated the meeting which lasted for 2 hours and 40 minutes, and that President Yi subsequently added a few words to the communique, which may be construed as a statement of "total surrender," support the speculation that under Advisor Kim's persistent and spirited attack, President Yi, bewildered by Advisor Kim's unexpected excitement, was cornered and forced on the defensive without being able to put up any resistance.

The significance of the meeting is clearly indicated by the fact that President Yi had to allow the communique to include the really difficult words, "I am sorry." The reaction of the close associates of President Yi to the expression "I am sorry" was that why he had used it was totally incomprehensible. Even the close associates of Advisor Kim revealed that "they never expected that much."

According to the version from President Yi's side, Advisor Kim at first demanded a straight apology, but this was rejected by President Yi. Thus, after lengthy wrangling, they settled on the words, "I am sorry." It is true that previously in drawing up the communique, spokesman Hong Sa-dok had reflected President Yi's position in the way he understood it to be in the statement. But on this day, the atmosphere was such that despite President Yi's repeated demand to read paragraph two of the statement which contained the language "I am sorry," spokesman Hong was unable to alter the words spoken by Advisor Kim.

It appears likely that at that meeting Advisor Kim sternly warned of the possibility of a party split, and that the Kim Tae-chung faction might very well break from the party if President Yi insisted, to the end, on his "plan." This warning was quite possibly crucial to the "total surrender" of President Yi. But, the basic underlying reason for his surrender was that he did not have "his own power base" in the party. The fact that President Yi remarked lamentingly that night that "since the party contains power groups..." is a clear testimony to this point.

#### Without Power Base

The fact that President Yi's dinner party given for party leaders upon his return from Onyang was very poorly attended was reason for him to feel really "lonely."

Many believe that what really lay behind Advisor Kim's determination to seek President Yi's total surrender was that he deeply resented President Yi's "ruinous opposition" which had ended his chances of taking over the party presidency "bloodlessly." Accordingly, the speculation goes that seizing this opportunity, he probably felt a strong need to "chain him down" tightly at all costs.

Many believe that speculation at the meeting, in exchange for President Yi's surrender, that Kim had assured him of a future status in the party after the all-party convention to be held in May, is contrary to fact. Even though President Yi had uttered such statements as "I will support the person whom I now have in mind," it should not be taken to mean that Yi became considerate of Kim's position, and "surrendered" willingly and happily.

In any event, it could be said that the meeting of the 15th should be viewed as a "humiliation at Canossa" for President Yi, and as the "great victory of 15 January for Kim. This display of unrivaled "actual strength" by Kim, revealed as premature the speculation among some people about the "decline of two Kims."

#### Victory of 15 January

But, on the other hand, the "gain" for Kim was, in a sense, that he was able to reaffirm his strength; on the other hand, he suffered some losses. Although Kim succeeded in winning the acquiescence of President Yi at the meeting of the 15th, it created grounds for possible criticism since the political situation has deteriorated because Kim has failed to come up with a responsible alternative or vision for the future course of the party, while demolishing the intraparty "negotiation." Had Kim at least presented a partial blueprint on how to deal with the politics of a constitutional revision, the atmosphere of the meeting of the 15th could have been somewhat smoother. This was regretted.

Furthermore, the fact that at the recent meeting he again reminded the people how ruthless and cruel the political world was did not enhance his image.

#### Suspicion Cleared

Of course, there was much applause from opposition circles of Kim's advocacy of a "clear-cut struggle." At the same time it also helped clear up suspicion on the part of opposition circles that Kim Yong-sam may be behind "the Yi Min-u Plan which is nothing more than an 'illicit union.'"

If the opposition circles applaud Kim on the outcome of the recent meeting, he will be compelled to continue the struggle in order to be applauded again in the future. Some believe that if Kim needs to continue to maintain the spirit which enabled him to win the acquiescence of President Yi in realistic politics, it will turn out to be a great burden on him because it will restrict the scope of his flexibility. In choosing a future course, he will likely experience greater difficulties.

It is pointed out that the Kim Tae-chung faction's attitude in the recent political turbulence is delicate but interesting. In regard to the struggle, the most vocal opposition to the Yi Min-u plan was from the Kim Tae-chung circle, but when it came to an actual showdown between President Yi and Advisor Kim, as if it were a fight between dragons and tigers, it is alleged that Kim Tae-chung enjoyed the position of spectator as a third party.

#### "All by Kim"

The reaction of the Kim Tae-chung faction is that it is satisfied beyond expectation, with the results of the handling of the recent case. Regarding the outcome of the Yi-Kim meeting, Kim Tae-chung showed immediate satisfaction by saying that "Chairman Kim Yong-sam has done it all by himself." That evening, he hosted a pleasant dinner, inviting the political council members belonging to his faction to a downtown restaurant. The mood contrasted with the previous one, when Advisor Kim made the Yusung statement which seemed to be a partial accommodation of the Yi Min-u plan. The sense of urgency was created when he was informed of the Yusung statement, and called a meeting at his residence of the political council members. He remarked: "Now the time has come to launch a lonely battle."

#### "Barbarians Against Barbarians"

According to a believable speculation, Kim Tae-chung's silent pressure had much to do with turning Advisor Kim into a super hardliner at the last moment. Such rumors are circulating that starting from advocating party reform, which was a secondary cause of the recent crisis, to subsequent developments, all was done by the Kim Tae-chung faction's "remote control" or by its tactic of setting "barbarians against barbarians."

Some believe that as a result of many reasons, including a strange apprehension felt by Advisor Kim toward Kim Tae-chung regarding his relationship with the opposition circles, and by his obsession--the result of past experiences--that an unfortunate situation would result, should there be a breakdown in the solidarity between the two Kims, Kim Tae-chung's calculation will turn out to be right on the mark.

#### Damaged Image

As a result of the recent commotion, Kim Tae-chung reaped many reflective benefits in the power relationship of the three, and his image suffered less damage than that of either President Yi or Advisor Kim.

What remains to be seen is whether or not the recent nullification of the Yi Min-u plan will be sufficient enough to resolve the crisis of the New Korea Democratic Party (NKDP) completely. In the course of recent trouble, the question of the direct election of the president, which had been held as an unquestionably holy issue by the party, has been down graded to a relative concept, and at the same time, it is undeniable that the images of both Kims have

suffered a setback. In the final analysis, the Yi Min-u plan has caused damage to the party in several areas, and it has created an opportunity for the non-mainstream faction to make more specific moves. Besides such a structural dimension, in relation to the overall political trend of this controversial time over a constitutional revision it will be interesting to see how widely the "intention" of the Yi Min-u plan will be shared among the rank-and-file party members of the assembly.

#### President Yi's Place

In connection with the place of President Yi in the post-crisis period, it will be interesting to see what sort of change will be brought about in the way of operating the party in the future. It is easily predictable that the present triumvirate system will, for all practical purposes, give way to the diarchy system. In order to stress the thorough-going collegiate system of operation to prevent the Yi Min-u plan from recurring, it is likely that the importance of the presidential council, rather than that of the enlarged leadership council, will increase.

In response to the ruling party's drive for a legitimate constitutional revision, the possibility cannot be ruled out that the NKDP will be absorbed as a infra-substructure of the all-people's struggle committee which may be formed for the purpose of reinforcing the tie between the NKDP and other opposition forces.

12474/12851  
CSO: 4107/099



## S. KOREA/GOVERNMENT, POLITICS

### POLICY MEASURES OUTLINED FOR 'ERA OF LOCAL EMPHASES'

Seoul CHOSUN ILBO in Korean 28 Mar 87 p 1

[Article by reporter Yi Sang-ch'ol, who covered No T'ae-u's visit to Kwangju during which No made the announcement]

[Text] On 27 March, DJP Chairman No T'ae-u said, "I hereby declare that the core element in a true democratization process is none other than the dawning of an era of localization." He then proceeded to outline the following five policy directions designed to facilitate the coming of such an era: 1) early implementation of local self-government and educational autonomy systems; 2) transfer to local jurisdictions of substantial portions of the authority, the organization, and the functions of the national government; 3) invigoration of local economies through the fostering of local enterprises; 4) reinforcement of local education through the expansion and adaptation to local colors of the compulsory education system at the junior-high level and through the fostering of local universities; and 5) equal extension of cultural enjoyment to local people through the expansion of local cultural facilities.

Chairman No made the above statement in Kwangju, where he had come to attend the ceremony marking the completion of new headquarters building of the DJP's South Cholla provincial branch. Continuing, he said, "In particular, the preparatory planning is now underway for the launching of a comprehensive development project in the southwestern region of the country--a project that has long been awaited by the people of the South Cholla area." He then added that, as part of the southwest regional development plans, the following specific projects are being actively pushed: creation of a second Hanam industrial park in the scale of 810,000 p'yongs; construction of wharf facilities for container ships at the Kwangyang Bay to begin before the end of this year for the planned completion in 1991; integrated development the large area around Kwangju; integrated development of the large area surrounding the Kwangyang Bay; construction of a new southern coastal highway linking Mokp'o and Sunch'on; expansion of the four-lane highway between Kwangju and Wando; development of islands and remote places in the hilly areas.

9977/12859

CSO: 4107/166



## S. KOREA/GOVERNMENT, POLITICS

### ROK DAILY CALLS ON POLITICIANS TO CREATE DEMOCRATIC STABILITY

SK280055 Seoul THE KOREA TIMES in English 28 Apr 87 p 8

[Editorial: "Political Realignment"]

[Text] In the wake of a moratorium placed on the national debate over constitutional amendment a fortnight ago, there have been diverse political moves geared to meet the new political situation--some of them more or less anticipated and others accompanied by disturbing commotions.

On the part of the government camp, the ruling Democratic Justice Party formalized yesterday a schedule leading to the nomination of its candidate in June for the election of the Republic's next president by an electoral college, which is presently expected to take place around the turn of the year.

On the slate is Rep No Tae-u, chairman or No 2 man of the party, who is virtually uncontested in the race for the party candidacy and has a good chance of winning the presidential election itself under the prevailing circumstances.

On the other hand, the mainstay of the opposition forces, now engaged in forming a new party by the name of the Party for Reunification and Democracy, is busying itself in preparation for the party's inauguration in a rally scheduled for Friday.

In the preparatory process, particularly in organizing local district chapters to meet a legal requirement of the party's formation, the opposition group has suffered violent attacks by unidentified mobsters in what it claimed as a deliberate maneuver to obstruct the emergence of a vocal opposition party.

Meanwhile, the New Korea Democratic Party, the main opposition force until three weeks ago when it was relegated into a minor party by the massive secession of its members to form the PRD, is working with other splinter parties to jointly form a floor negotiation group in the National Assembly.

Though the politicians in both the ruling and opposition camps are setting their eyes on the future process of the nation's political development, one immediate concern for them is an extraordinary Assembly session due to open next Monday.

The upcoming parliamentary session is expected to serve as a test ground or an exploration site for future relations between the government camp and the opposition forces now undergoing realignment.

There is no denying that the inter-party relationship has been further strained by the moratorium on constitutional debate and subsequent political happenings. Notwithstanding, political players in the opposing camps are obliged to comply with the stark political reality and cultivate a new political modus operandi.

What is important for them is to pave the way for an evolutionary political development, taking into account the people's yearning for democratization in stability.

/9274

CSO: 4100/183

S. KOREA/GOVERNMENT, POLITICS

HERALD EDITORIAL PONDERES MORALS OF LAWMAKERS

SK250040 Seoul THE KOREA HERALD in English 25 Apr 87 p 8

[Editorial: "Morals of Lawmakers"]

[Text] The unscrupulous and scandalous conduct of an opposition National Assemblyman put under arrest this week is impressive enough to make us ponder the qualifications of a lawmaker who is supposed to represent the people.

A member of the legislature may not and need not be a highly learned pundit or a religious saint. They are not always men and women of superlative religious saint. They are not always men and women of superlative caliber, training and character.

However, legislators should be people of decency, of integrity and of good sense--of an order higher than the average member of the constituency. Offense against public morality and law will never entitle the culprit to a seat in parliament.

From the charges, ethical as well as legal, brought against the arrested Assemblyman, Kim Yong-o, we can gather that he is unfit for public office, not [to] speak of the post of lawmaker.

He is accused of having forced a promissory note of large face value to pay for the portfolio of assemblyman-at-large offered by the New Korea Democratic Party. Moreover, he allegedly misappropriated the funds of Buddhist temples and affiliated institutions under his influence for politicking and other dubious purposes.

The apostate Buddhist priest has also been involved in a number of illicit affairs with women and in financial-legal disputes which often entailed court actions. But the mysterious figure got away with it, until now. Further, Kim is found to have assumed false academic degrees from foreign colleges.

He might not be alone in being guilty of various offenses against good manners, social discipline, public morals and the law of the land, but Kim and his likes are not eligible for a place in the representative organ of state.

The fact that such an unqualified personality bought his way into the National Assembly as an at large member prompts second thoughts on the way the system of nationwide proportional representation should operate.

The formula for allotting floor seats to political parties in proportion to their ballot showings is designed to allow functional representation by which men of professional expertise and experience can be elected on a national ticket.

It is meant to infuse fresh, clean and productive blood from non-political fields into national politics, free from the burden of individual campaigning. But some opposition parties short on funds have abused the system by selling candidacies.

The position of National Assemblyman is not to be sold or bought. Nominations must be decided on the basis of personal merit. Fair and honest party politics and democracy depend on the quality and dignity of lawmakers.

/9274

CSO: 4100/183

S. KOREA/GOVERNMENT, POLITICS

PROSECUTION ARRESTS ASSEMBLYMAN ON FORGERY CHARGES

SK240143 Seoul THE KOREA TIMES in English 24 Apr 87 p 1

[Text] Rep Kim Yong-o of the opposition camp was arrested on a warrant on charges of forgery of documents yesterday. The arrest came after 2 days of intensive questioning by prosecutors in connection with forgery charges.

Rep Kim, who is a Buddhist monk, admitted to the accusation that he had his aide alter the amount on the promissory note from 3.57 million won to 200 million won. He persistently denied the forgery but finally gave in and admitted to the charges at the last moment, said prosecutors involved in the questioning.

The commercial bill in question is part of the capital contribution he made to the opposition New Korea Democratic Party in 1985 in return for a parliamentary seat under the proportional representation system.

The prosecution authorities also seized financial documents from Taekak-sa in Pusan, the temple where he was monk, for the investigation of additional charges of tax evasion.

The prosecution investigation followed a complaint filed by a private money lender. He argued the 200 million won promissory note Rep Kim handed over to the opposition party was a forged one. The original figure on the face of the bill was only 3.75 million won, he said.

In the investigation, former lawmaker Kim Sang-hyon, who was handed the commercial note as political funds, was also questioned.

The arrest warrant for Rep Kim was issued by Judge Pak Hae-song at the Seoul District Criminal Court.

Rep Kim's arrest was reported to the National Assembly yesterday. By law, the arrest of a lawmaker requires such reporting. In case the National Assembly is in session, arrest of the lawmaker requires parliamentary approval.

It was learned Rep Kim has been criminally booked 11 times. Of these times, he was arrested five times.

Each time he has regained freedom after paying fines or on suspending sentences.

Kim is one of the NDP lawmakers who bolted from the party to form a new party, tentatively called the Party for Reunification and Democracy led by Kim Yong-sam.

According to investigation documents, Rep Kim was found to have used three different names and different birth dates.

Leaving home at the age of 13, he joined the monastery and has worked as a monk at such big temples as Tongdosa, Pomosa, Phchung-sa, Taehung-sa, Tonghwa-sa, Pusok-sa and Chogyo-sa.

The documents showed that he dodged military duty, which is known to be one of the reasons for his using different names. According to the documents, he toured the United States with a passport issued under a false name as he could not make it in his genuine name.

Most of his criminal bookings in the past were associated with unlawful sales of Buddhist property, frauds, forgeries and violence.

He claims to have studied at Haein College in Masan and Kukmin University in Seoul, which was proven false. In addition, he has acted as having been awarded a doctoral degree from higher learning institutes in the United States and Sri Lanka.

/9604

CSO: 4100/178

S. KOREA/GOVERNMENT, POLITICS

ROK PROSECUTION ARRESTS PUBLISHERS OF LEFTIST-ORIENTED BOOKS

SK290023 Seoul THE KOREA HERALD in English 29 Apr 87 p 3

[Text] The Seoul prosecution yesterday arrested heads of five publishing firms on suspicion of publishing leftist-oriented books.

The five, who were arrested on charges of violating the National Security Law, are mostly heads of small publishing firms in Seoul.

The books they published include "History of the Korean Masses," "The Philosophy of a Working Man," and others related to the farmers' movement.

The five were arrested as part of a campaign by the prosecution to crack down on those who deal with unauthorized books.

In those books, they insisted that the materialism advocated by Karl Marx is the only scientific view of the world and exaggerated the contradictions of capitalism.

The prosecution said those books have been confiscated from book stores with the help of police and the Ministry of Culture and Information.

Among the five are Yun Hu-tok, 30, head of the Segye Printing Co. He is also a member of a dissident group called Mintongnyon.

/9274

CSO: 4100/183



S. KOREA/GOVERNMENT, POLITICS

MOVEMENTS AGAINST PRESIDENT CHON'S 13 APRIL ANNOUNCEMENT REPORTED

Priests Continue Hunger Strike

SK300046 Seoul THE KOREA TIMES in English 30 Apr 87 p 2

[From the column "Press Pocket"]

[Text] "I feel sorry for you. If we politicians had done well, you would not have to do this," opposition leader Kim Yong-sam told Rev Kim Song-hun when he visited Myongdong Cathedral to console the Catholic clergymen who are engaged in prayer while fasting, demanding a democratic reform of the Constitution.

"We have been very unfortunate.... So, we decided to create the Reunification Democratic Party. But we are now intimidated in founding the party," Kim went on.

Rev Kim replied, "We do not stage hunger strikes to request something from the opposition party. The opposition parties should regain their good senses." He is the chairman of the Catholic Priests Society for Justice and Peace.

The catholic priests also said that many clergymen joined the hunger prayer in Tkwangju and Seoul. "I think that God called us to do so. I don't know any other way to explain it."

As Choe Hyong-u, vice chairman of the preparatory committee to create the RDP, said that Father Kim has a very keen eye for the political situation, Kim replied, "I think that we should undergo more difficulties to achieve something."

Father Kim has not joined the hunger prayer but he said he will soon join it. Kim Yong-sam could not meet the fasting clergymen because they were holding a meeting at the time.

Andong, Wonnu Priests Fast

SK010045 Seoul THE KOREA TIMES in English 1 May 87 p 3

[Text] Twenty-seven Catholic priests of Andong and Wonju Dioceses launched hunger strikes beginning Wednesday evening, demanding the government revoke its earlier decision to suspend the constitutional debate.

Eleven priests including Fr Yu Kyong-ha continued the prayer-fast yesterday at Moksongdong Cathedral in Andong City, Kongsang-pukto, while 16 priests kept on fasting yesterday at Wondong Cathedral in Wonju City, Kangwon-do.

Eleven priests including Fr An Chung-sok of Ahyondong Cathedral joined with 40 priests who staged a prayer-fast for the fourth consecutive day yesterday at Myondong Cathedral in Seoul.

Meanwhile, the fasting priests in Kwangju ended their nine-day hunger protest Wednesday night after holding a mass for democratization participated in by more than 1,500 nuns and laymen.

In Chonju, 22 Catholic priests continued the prayer-fast for the sixth consecutive day yesterday.

#### Kwangju Priests End Hunger Strike

SK010035 Seoul THE KOREA HERALD in English 1 May 87 p 3

[Text] Kwangju (YONHAP)--Nineteen Catholic priests ended their nine day fast Wednesday evening, saying that their demands are now widely known to the public.

They began the fast on 21 April, demanding that the Constitution be overhauled to pave the way for direct presidential elections.

The priests said they had decided to discontinue fasting, since they believe what they have demanded is now made known to people. Laymen also appealed to them to end fasting, the Catholic priests said.

During their fasting, five priests were admitted to a hospital for poor health.

The 18 priests of Kwangju Cathedral also wound up their five-day fasting Wednesday.

#### Songkyunkwan University Professors Urge Democratization

SK010039 Seoul THE KOREA TIMES in English 1 May 87 p 3

[Text] Forty-three professors of Songkyunkwan University yesterday issued a statement urging the government to scrap its earlier decision to postpone debates for the constitutional revision until after the Olympics next year.

Fifteen Catholic College professors also issued four-point statement for democratization yesterday.

### Former Socialist Party Head To Strike

SK010055 Seoul THE KOREA TIMES in English 1 May 87 p 2

[Text] Former Social Democratic Party President Kim Chol said yesterday that he would start a hunger strike in protest against the presidential decision to shelve constitutional amendment until after the Olympics next year.

In a May Day message directed to workers in the nation, Kim said that the overwhelming tide of protest was affecting not only students and youths but also many religious leaders and professors, calling for the constitutional amendment and democratization.

He called on workers in the nation to stand up united for the struggle for basic labor rights, asserting that such a struggle would contribute to the normal development of the national economy.

### Sogang University Professors Issue Statement

SK300035 Seoul THE KOREA TIMES in English 30 Apr 87 p 3

[Text] Twenty-eight professors of Sogang University yesterday issued a statement in which they demanded that the government revoke its decision to suspend the discussion for a constitutional revision.

The professors of the Jesuit-run university, including Profs Kang Ko-pae, Chang Ik and Kil Hui-song, also demanded freedom of the press, eradication of irregularities in economic circles and campus autonomy.

It is the second time that such a statement was issued since 13 April when President Chun Tu-hwan suspended the constitutional debate. The first statement was issued by 30 Korea University professors early last week.

### Novelists, Poets Issue Statement

SK300038 Seoul THE KOREA TIMES in English 30 Apr 87 p 3

[Text] The nation's 206 literary men signed a statement calling for the resumption of debates on constitutional revision and about 30 of them began sit-in protest yesterday.

The popular novelists and poets who began a sit-in at 10 a.m. yesterday in the office of "Silchon Munhak Sa" in downtown Seoul included Kim Chong-han, Kim Kyu-tong, Ko Un and Kim Chi-ha.

At the start of the sit-in, the literary men argued that constitutional revision should be carried out in accordance with the people's aspiration for a democratic society. Seoul Mapo police yesterday reportedly detained poet Yi Yong-chin, 35, for questioning in connection with the protests.

/9274

CSO: 4100/183

S. KOREA/GOVERNMENT, POLITICS

STUDENTS HOLD DEMONSTRATIONS ON IN-CAMPUS ISSUES

SK010043 Seoul THE KOREA TIMES in English 1 May 87 p 3

[Text] A total of 15 administration offices and libraries have been seized by radical student protesters with hundreds of million won of property damage resulting during April, it was reported yesterday.

Due to campus disturbances, the president of Kyongbuk National University and vice president of Tanguk University resigned to meet students' demands.

According to officials of the Education Ministry, recent student protests have been sparked by in-campus issues such as the "undemocratic" management of school affairs. Until recently, the issues generating student protests had been mainly of a political nature.

The officials observed that the change of issues signals the change of issues signals the change of tactics by student activists who initially tried to muster support for the in-campus issues from the majority of students before turning to political ones.

In view of this fact, the Education Ministry yesterday instructed universities and colleges across the nation to do their best to minimize the cause for students complaints regarding school affairs.

Universities were urged to improve welfare facilities for students and strengthen efforts to maintain dialog with problem students.

They were also asked to beef up security on and around important facilities such as computer rooms and administration offices.

Meanwhile, about 6,000 students of 20 universities and colleges staged in-campus demonstrations Wednesday, destroying academic facilities, furniture and window panes.

About 400 Tanguk University students staged a demonstration in protest against the school authorities' illegal administration of several students. After the rally, they intruded into the school headquarters building and destroyed school facilities estimated at 70 million won.

Students of Kwandong College in Kangnung, Inchon College and Chonnam National University also inflicted heavy property damage on their campuses.

/9274

CSO: 4100/183

## S. KOREA/GOVERNMENT, POLITICS

### STUDENT MOVEMENTS APPEAR NOTICEABLY QUIETER

Seoul CHOSUN ILBO in Korean 15 Mar 87 p 11

[Article by reporters Hong Chun-ho, Yang Sang-hun, and Yi Chong-won]

[Text] College campuses are undergoing a change! Coming into the new year, we are witnessing a decline in student demonstrations and fewer fire bomb and rock throwing incidents which were so prevalent last year, involving such radical student organizations as the Free Peoples' Movement and the Peoples' Welfare Movement. Even the hanging banners and wall posters spewing out frank and resentful slogans voicing violent opposition to Yankee mercenaries and calling for the expulsion of the American imperialists are gradually fading from view at school rallies. Previously where songs protesting this or that were heard, pop songs are being sung and, little by little, the political nature is weakening.

This transition, marking the beginning of the school year, is in sharp contrast to the massive demonstration which was held at Seoul National University on 4 February last year even before the start of the first semester, the other violent and radical demonstrations held last year, and the illegal seizing of Konguk University late last October.

More than anything else, there was a vast change in the election pledges of candidates for student association president.

In the case of Yonsei University, the candidates for student association president, 25-year old senior and Korean literature major, U Sang-ho, and 21-year old senior and economics major, Han Ho-yeon, similarly pledged the broadening of democratization in school and more student welfare rather than voicing brash political slogans in election campaigns on 11 and 13 March.

Han stated in his campaign that the student association had abandoned its role as an autonomous student organization and had single mindedly pursued political affairs. He maintained that student association activities cannot be decided upon at the sole discretion of student movement leaders. He pledged to strengthen the influence of general student opinion, to push for the construction of new dormitories, to drive for autonomous control of student welfare funds, and to urge that mandatory chapel attendance be changed to elective attendance.



U stated that the reason for students having displayed so much dissension and fanaticism was that in the past the student association had overly concerned itself with political and social problems, and had neglected various undemocratic factors on campus. He pledged to broaden student association activities, to urge students to be more active in school administration and to push for more effective management of health benefits fees. Besides this, U spoke concerning plans for social democratization, but only lightly touched on the removal of all undemocratic institutions and the establishment of an autonomous democratic government.

Candidates for election as president of the student association at Korea University to be held on 19 March, 21-year old senior and business major Hong Sung-taek and 21-year old senior and Korean literature major Lee In-yung, made similar pledges. Hong made an adamant promise that all activities would coincide with the spirit of all students in general; while Lee assured the democratic incorporation of the ideas of all the students and vowed to organize a highly capable student association which would work to secure rights of all students.

Even at Seoul National University, which last year generally supported the pro-communist line, students and school authorities anticipate that the course of student association activities, to be planned in the latter part of March, will stress school affairs.

Last year at these three universities, candidates made leftist remarks, police were deployed and even entered the campuses and disrupted school events. Last year student association opening ceremonies immediately resulted in a vast demonstration, but this year on 12 March, Hanyang University's opening ceremony began with a 2-minute address by the student association's president who advocated the elimination of all undemocratic elements within the school. This was immediately followed by entertainment featuring pop singers, which served to change the atmosphere drastically.

Even the contents of the writings on wall posters are changing. In the case of Seoul National University, while the volume of printed posters is not so different from previous years, slogans violently opposing U.S. imperialist mercenary training and the stationing of U.S. nuclear devices on the Korean Peninsula have greatly decreased from last year. Posters concerning training at the forward areas have changed to inquiries as to the exact reason for going to the forward areas. Resentful banners such as "Let's crush the anti-communist ideology" have vanished.

In the case of Korea University, written posters about Pak Chong-chol or about Shultz' visit to Korea were stuck on the walls but the contents were analytic rather than radical and were moderate in tone.

In addition, at Sung Gyun Gwan University, of late, wall bulletins are not even being posted. Posters at Korean Foreign Language College and Kyonghui University have as their main theme whether or not to pay 1,000 won in revenue stamps to retake college entrance exams and the question of collecting student association dues. Similar changes are noticeable also in the

attitude with which returning students are approaching newly entering students. In the case of Ehwa Women's University, the program for newly entering students sponsored by the student association on 5 March included a skit, the theme of which totally excluded politics.

Among these changes, of all the rallies and meetings held thus far this year, hardly any were connected with demonstrations except for a rally of students for the People's Welfare Movement which requested a meeting of the student association. After the opening of classes at Seoul National University, up to the present there have been five assemblies and not one has expanded into a demonstration. Even at Yonsei and Korea Universities, there have been no demonstrations except for the 7 February and 3 March Movements assemblies.

According to the police, from the day after the 3 March Movement, 4 March through 11 March, there have been 15 demonstrations nationwide with 1,500 participants compared to 16 demonstrations with 4,000 participants during the same timeframe last year. The number of demonstrations is decreasing and the number in attendance has declined sharply, and there have been no violent demonstrations with fire bomb throwing.

We are seeing a decline in the political nature of student associations which stress campus democratization. The keynote in the student movements in 1984 was school autonomy, in 1985 the three principles of the people, in 1986, growing more radical day by day, anti-American, anti-imperialist, and anti-fascist. Those concerned with schools are viewing this as an outward appearance of the return to an earlier era of school autonomy.

But is this reversal only a ploy for the student leaders to maintain their front row status or are we seeing indications of universal moderation?

Those that advocate the former see that each year the student association establishes its course during the winter break, but this year because many of the student leaders had been arrested in mass, the assemblies have been delayed until April. They also perceive that the student leaders which lost popularity because of last year's radical demonstrations are only tactically changing their slogans but maintaining their strategic objectives.

On the other hand, those who view this as a trend toward moderation, are saying that the change in the students is not merely a tactical move but that it is in keeping with their awareness of school matters and the need to democratize.

It is their opinion that this has alienated the student association from the students in general, and that the students themselves have initiated a fundamental reconsideration of the logic and methodology of their movements, for example, the closing down of 13 meeting rooms in the College of Liberal Arts at Korea University.

Ehwa Women's University student association Vice President Hong Hyon-jin, a 21-year old senior and sociology major, said that while concluding that students can gain nothing now by throwing fire bombs and rocks, the student



movement is demanding the attention of the student leaders and initiating democratization with determination. She asserts that they are actually moving in that direction.

But one person connected with Seoul National University's student union stated that despite the quiet atmosphere, the student association leaders have not been clear in their intentions. For more clarity, we will have to wait for 1 or 2 months to pass. We see this as a careful response.

12957/9365

CSO: 4107/152

S. KOREA/GOVERNMENT, POLITICS

KYONGBUK UNIVERSITY STUDENTS CONTINUE CAMPUS RALLY

Kyongbuk University President Resigns

SK240115 Seoul THE KOREA HERALD in English 24 Apr 87 p 3

[Text] Taegu (YONHAP)--The president of Kyongbuk University announced yesterday that he will step down. "I am willing to resign, if that is the way for ending the current campus rallies," So Won-sop said.

So made the remarks before an estimated 6,000 students and 700 professors and school officials who gathered on a plaza in front of the main hall around 11:45 am.

Thousands of Kyungbuk University students staged campus rallies since last Wednesday, demanding the resignation of the school president. During the rallies, students seized the president's office and the main hall on two occasions.

As his office had been occupied by students since Wednesday, So had talks at an office of the school's museum from late Wednesday night to early yesterday morning.

So was inaugurated as the 10th president of the university in September 1983. He is expected to finish up his 4-year tenure as president in August.

After the school president expressed his willingness to resign, the students ended their rallies.

An estimated 100 students who were staging a sit-in in the president's office and other rooms also left the building.

Students Continue Boycott

SK230117 Seoul THE KOREA HERALD in English 23 Apr 87 p 3

[Text] Taegu (YONHAP)--Kyongbuk University, troubled by student rallies, failed to conduct normal class for the second consecutive day yesterday.

In addition, about 100 students have been staging a sit-in in the office of the university president, since they occupied it Tuesday evening. They were demanding that President So Won-sop step down.

The students seized the office around 7:30 pm Tuesday, about 30 minutes after an estimated 3,500 students dispersed voluntarily after a campus rally.

Despite the campus unrest, the school authorities decided to go ahead with class after sending letters to parents asking them to persuade students to attend class.

Around 3:50 pm Tuesday, the school president discussed the controversial issue involving the promotion of a professor with student representatives.

But So and student representatives failed to produce any breakthrough.

Students demanded Assistant Prof Pak Yang-sik, 51, be promoted to the status of associate professor. So said, however, Pak failed to get a promotion this year as he was warned twice last year over the handling of students' credit.

School officials said part of second-floor corridor of the main hall is in danger of collapse as some cracks appeared after many students thronged on the corridor during campus rallies.

They said school construction workers put supports under the corridor Tuesday evening after conducting a safety check.

/9604

CSO: 4100/178

S. KOREA/GOVERNMENT, POLITICS

POLICE INVESTIGATING WALL POSTER AT SEOUL UNIVERSITY

SK230121 Seoul THE KOREA HERALD in English 23 Apr 87 p 3

[Text] Police have launched an investigation into a pro-Pyongyang wall poster which appeared at Seoul National University early this week.

The poster written on a vellum paper was found pasted on a cement pavement near the entrance to the Building No 5 of Seoul National University around 4:30 pm Monday, police said yesterday.

Titled as "a joint statement for national and democratic revolutions and mass struggle," the article stated, "We should realize a self-reliant unification of the country through the establishment of a confederal republic between South and North Korea."

It also said "the U.S. imperialists and the military facism" should be toppled through a mass revolution, while urging the solidarity among workers of South and North Korea," police said.

Police investigators said the contents of the poster are the same as North Korea's assertions on the unification and its routine defamatory propaganda against the Republic of Korea.

Some 50 students tore off the poster and burnt it, police said.

The same kinds of wall posters were posted in and around the building last October.

Meanwhile, police are investigating the delivery of some 700 pro-communist and anti-U.S. booklets on the campus of Songkyunkwan University Monday.

Published by underground student circles, they carried articles contents of which are consistent with those of North Korea, police said.

/9604

CSO: 4100/178

S. KOREA/GOVERNMENT, POLITICS

DEMISE OF ONE CAMPUS MOVEMENT ORGAN

Seoul CHOSUN ILBO in Korean 31 Mar 87 p 11

[Text] On 30 March, a strange notice appeared on the glass part of the front entrance to the campus library of Yonse University, announcing the discontinuation of the publication of "MINJOK MINJU SONON" [National Democratic Declaration], the organ of Yonse University's Min-Min-T'u [Minjok Minju T'ujaeng or National Democratic Struggle] Committee. The notice, with the heading "On the Occasion of the 'SONON's' Discontinuation," caught the attention of the readers with this explanation: "The 'SONON,' which came into being with the launching of Yonse University's Min-Min-T'u Committee in March 1986, is hereby discontinued with the issue No 11 as its final publication as a result of the dissolution of the Min-Min-T'u."

Reflecting on the role played by the "SONON," the notice said, "It has failed to generate sympathetic responses as a result of having concentrated too much on the coverage of political incidents while doing not enough to help resolve fellow-students' discontent over the cultural environment on the campus and the educational issues in general." In the same self-critical vein, the notice added, "Inasmuch as the Min-Min-T'u was a secret organization comprised mainly of the patriotic students, the 'SONON,' too, has tended to be abstract in its terminology and presentation of struggle directions; as a result, it has failed to serve as a publication for the student body as a whole."

On the other hand, the notice also pointed out that, despite all its flaws, the "SONON" has "achieved some positive results, in that it has shown to the student body in general the direction of just struggles through its timely exposures of the facts either distorted or covered up by the media and through its reporting and assessment of the struggles being waged at any given time by various segments of the society." "What is needed is a new effort that can collectively reflect the views of the entire student body at Yonse University," concluded the notice.

Commenting on the appearance of this notice, a leading member of the All Students Council cautiously speculated as follows: "This seems to have happened because of the increasing difficulty of maintaining the organization as a result of the collapse of the core structure of the struggle-movement group in the aftermath of the recent incident involving Konguk University."

9977/12859

CSO: 4107/166

## S. KOREA/GOVERNMENT, POLITICS

### BRIEFS

**DISSIDENT LEADERS STAGE SIT-IN**--Twenty-eight dissident leaders including Ham Sok-hon and Rev Pak Hyong-kyu are staging a sit-in prayer for the democratic constitutional revision at the Christian Hall in Yonji-dong, Chongno-gu, downtown Seoul. The dissenters began the sit-in protest Wednesday afternoon after issuing a statement in which they pledged they would block the government's "violent" attempt to prolong current undemocratic Constitution by whatever means. They also said that they are considering forming national consultative body to foil the government's attempt to maintain the present basic law. [Text] [Seoul THE KOREA TIMES in English 24 Apr 87 p 3] /9604

**CALLS FOR DIRECT PRESIDENTIAL ELECTION**--Thirteen Catholic priests belonging to the Kwangju Diocese started a fast-plus-prayer meeting Tuesday, demanding the Constitution be revised in a way to revive the direct presidential election system. They began the fasting protest, to last an indefinite period of time, at the Catholic Center in downtown Kwangju at 7 pm, after reading a statement entitled "Praying for the Direct Presidential Election While Fasting." In the statement, they asserted that democratization is one of the people's basic rights which can in no way be denied whatever the circumstances. Denouncing the presidential statement as betrayal of the people's yearnings for a return of their rights to choose a government, they urged the government to repeal the current Constitution. [Text] [Seoul THE KOREA TIMES in English 23 Apr 87 p 3] /9604

**KYONGBUK UNIVERSITY STUDENTS BOYCOTT CLASSES**--Kyongbuk National University students boycotted classes for the 6th consecutive day yesterday in a show of protest against what they called the undemocratic administration of school affairs by the school authorities. The state-run university in Taegu decided in a faculty meeting Monday to postpone the midterm exams for an indefinite period and, instead, conduct classes beginning yesterday. According to a tally by the school authorities, only 150 students showed up during the first class when a total of 135 lectures were supposed to be conducted. The attendants represent only 2.1 percent of a total of 8,588 students. About 6,000 students staged an on-campus demonstration Monday afternoon in which they demanded the school president to voluntarily step down, taking responsibility for the disturbances. [Text] [Seoul THE KOREA TIMES in English 22 Apr 87 p 3] /9604

STEPS TO REBUILD NKDP--Leading members of the opposition New Korea Democratic Party yesterday agreed to step up efforts to rebuild their party. The agreement came in a meeting of 13 of the 14 lawmakers remaining in the NKDP, from which about 70 legislators broke away 8 April to form a new party. Party President Yi Min-u told the meeting that he will appoint this week a new secretary general, a spokesman and seven to eight members of the Executive Council to add to the nine remaining members. Participants decided to discuss matters concerning the party's national convention in May and a leadership system of the party after the party is reconstructed. They entrusted Yi with rebuilding the party. Yi has invited former veteran opposition politicians to join the NKDP, an NKDP official said. [Text]  
[Seoul THE KOREA HERALD in English 21 Apr 87 p 2] /9604

CSO: 4100/178



BRIEFS

MANAGEMENT OF SHIPPING COMPANY--The government has taken an emergency bail-out action for the Pan Ocean Shipping Co., reeling from the shockwave of the suicide of the company chairman Pak Kon-sok Sunday. Under the relief measure, the Bank of Seoul, the major creditor bank of the ailing shipping company, will be responsible for the corporate fund management to keep the shipping company from going bankrupt. The Pan Ocean Shipping Co. is reportedly saddled with more than one trillion won in debts. Given this, the government ordered a moratorium on the repayment of principals of the external obligations to ease the company's financial difficulties. The banks and other short-term financing companies were also told not to call in their loans to the shipping company. The emergency steps were decided on at an emergency government meeting, attended by Minister of Finance Chong In-yong, Yi Won-choe, superintendent of the Office of Bank Supervision and Examinations [OBSE] and other bank officials yesterday. [Text] [Seoul THE KOREA HERALD in English 21 Apr 87 p 1] /9604

CSO: 4100/178

S. KOREA/SOCIAL ISSUES

ROK MINISTRY ISSUES BILL TO PREVENT AIDS SPREAD

SK300538 Seoul YONHAP in English 0522 GMT 30 Apr 87

[Text] Seoul. 30 Apr (YONHAP)--The Korean Health and Social Affairs Ministry Thursday posted bills to prevent the spread of AIDS.

The bills include measures to keep foreign AIDS carriers from entering Korea and ways to effectively control AIDS carriers and patients in Korea.

According to the bills, those who spread the AIDS virus to others will be subject to prison terms of less than one year or will be fined not more than one million won (about 1,198 U.S. dollars: one dollar is worth about 835 won).

The bills also stipulate that officials or others concerned with the control of the disease who are convicted of violating the privacy of AIDS patients will be subject to a fine not exceeding one million won.

Under the bills, AIDS carriers will be put under special medical care and the government or local self-governing bodies will subsidize some of the expenses involved in examining people vulnerable to AIDS, the establishment of special AIDS clinics and AIDS research.

Medical doctors or directors of medical institutions who fail to report AIDS cases or who make false reports through the heads of local public health centers to mayors or county chiefs will be subject to a fine not exceeding 500,000 won.

Nine AIDS carriers have been detected in Korea, but only one man has died of the disease. None of the other carriers have yet become AIDS patients.

Meanwhile, the World Health Organization reported Tuesday that the number of AIDS cases in the world has reached 46,628, including 33,720 cases in the United States. The statistics are based on a U.S. report dated 6 April.

/9274

CSO: 4100/183

## AIDS TEST KITS DUE FOR LOCAL PRODUCTION

Seoul NEWSREVIEW in English 14 Mar 87 p 26

[Text]

The local production of AIDS blood test kits is likely in August this year, medical industry sources said last week.

A couple of pharmaceutical companies have raced for the development of reagents for the AIDS antibody test, which have been imported from abroad.

The front runner is Green Cross Corp. that has almost completed the reagent development. Donga Pharmaceutical Co. runs after Green Cross and a third company is attempting to join the reagent development project.

"My company is likely to be capable of producing AIDS blood test kits in August this year," said Han Sang-ho, a spokesman for Green Cross Corp.

Han said his company is spurring up the AIDS test kit development as the global epidemic of AIDS hit the nation. The number of AIDS virus carriers recently rose to five, though no AIDS patient has so far been reported in the country according to medical statistics.

A research team from Green Cross Corp. began to develop reagents for the AIDS blood test in February 1984, he said.

The company imported AIDS virus from the United States as the virus is not available in the country. The AIDS virus is essential for the reagent development.

When his company produces AIDS blood test kits, the retail price is expected to be set at around 1,000 won each, half the retail price of the foreign-made ones imported by the company, Han said.

He said his company has imported

AIDS blood test kits from the U.S. company Electro-Nucleonics Inc. and has supplied them at the price of about 2,000 won for each test kit.

Donga Pharmaceutical Co. is orchestrating its efforts to gear up the development of the AIDS blood test kits.

A Donga official said that although his company was late in launching development projects, it is going all out to catch up with a front runner.

He said the company began to develop the AIDS blood test kit in September last year, adding that his company has made big progress in the reagent development.

A research team from the pharmaceutical department of Cheil Sugar Co. is attempting to join the development of reagents for the AIDS blood test, a company official said.

Officials of the three companies shared the view that the demand for the AIDS test kits would gradually grow as more people seem to undergo AIDS antibody tests.

A Health Ministry official said a growing number of people have shown a great interest in the AIDS blood test since an elderly man's death from an AIDS-related complex recently made newspaper headlines.

In addition, the Health Ministry decided to perform the AIDS antibody test for 800,000 blood donors and nearly 100,000 prostitutes, bar girls and other entertainment establishment employees every year.

The blood test is part of a package of measures designed to stem the spread of AIDS that destroys body's immune system. □

S. KOREA/FOREIGN RELATIONS, TRADE

SECRETARY BALDRIDGE SPEAKS AT KTA MEETING

SK210049 Seoul THE KOREA HERALD in English 21 Apr 87 pp 1, 4

[Text] Korea must continue to open its markets and provide real opportunities for American businesses in order to help the U.S. administration's efforts in resisting protectionism at home, visiting U.S. Commerce Secretary Malcolm Baldrige said yesterday.

Trade barriers in Korea continue to exist despite the Korean Government's liberalization efforts. "These make it difficult for U.S. firms to do business in your country," he said.

Baldrige made these points while addressing about 150 Korean business leaders in Seoul yesterday. The event was organized by the Korean Traders Association (KTA).

He said, "These barriers include the high tariffs that are imposed after import licensing restrictions are removed."

These prevent sales of U.S. goods in Korea at competitive prices, he stressed.

Despite reductions in Korea's general tariffs over the past 4 years they still exceed 20 percent on products ranging from ABC resin to telecommunications equipment, Baldrige said.

"Wine, automobiles and cigarettes face tariffs ranging from 50 to 100 percent. The duty is then compounded by domestic taxes which result in a retail price often 200-300 percent of the CIF price," he said.

Even as innocuous a product as chocolate is subjected to quarantine procedures that seem motivated less by precaution than by an intent to delay market entry, Baldrige said.

He said a disturbing trend in Korea is the increasing emphasis on localization--developing local industries which can produce goods historically imported from Japan. The result is that it blocks imports not only from Japan, but also from the United States.

"This is a very troublesome development. It is compounded by the issuance of local content guidelines which affect the procurement of telecommunications equipment, computers and peripherals, medical equipment and building materials," Baldrige said.

"A pattern is developing--I have heard story after story of Korean firms, which have begun to produce goods successfully, petitioning your government to close off the market to imports. This has happened, for example, in the machine tool sector and in pharmaceuticals.

"I hope that each of you will support a genuine opening of the Korean market. Only then can we achieve equitable trading opportunities in both our countries.

"Our Congress is seriously considering measures that could sharply restrict access to our market. These steps are being justified as an appropriate response to an import invasion that is strengthening our industrial base," he said.

The U.S. administration and many members of Congress are working together to limit most of the protectionist elements of any new trade legislation, he said.

"But there are no guarantees. Protectionism gains its own momentum when international trade is perceived as a threat.

"The administration's own trade bill takes the right approach. Its goal is to improve the competitiveness of American firms--a lesson that Korean companies have learned very well. We can meet the competitive threat and take advantage of opportunities in foreign markets by increasing American productivity.

"But the most competitive, most technologically advanced companies still do not stand a chance in a market where trade barriers are commonplace. The real danger is that market barriers breed protectionist logic that says, 'If your market is closed, I will close mine.'"

"Let me illustrate this with a recent action that the United States was forced to take; it involves semiconductors. We had no choice but to retaliate against Japanese products because Japan refused to open its market and continued to dump semiconductor chips in third country markets.

"Retaliation was not the result we wanted. But neither can we tolerate flagrant violation of international agreements and a continuing refusal to open markets.

"This means that the attitude in America has hardened. Our industries and our Congress are taking a much closer look at trade barriers, and they do not like what they see," Baldrige said.

/9604

CSO: 4100/178

S. KOREA/FOREIGN RELATIONS, TRADE

SOLARZ HOLDS PRESS CONFERENCE AT END OF VISIT

SK210053 Seoul THE KOREA HERALD in English 21 Apr 87 p 1

[Text] Stephen Solarz, chairman of the U.S. House Subcommittee on Asian and Pacific Affairs, Sunday urged the Korean Government and the opposition to engage in dialogue for a national consensus.

The most effective way of bringing political stability is to establish a sincere dialogue for an agreement on a future political system in Korea, Solarz said at a news conference.

"If you can create a basis for a national consensus and establish a foundation for democracy, it will create a basis for an enduring political stability for continued economic growth and for the preservation of peace," he said.

The U.S. congressman, who was on a 4-day fact-finding mission, said what he found in Korea was a desire for democracy and pluralism. "If I have received any one dominant impression, it is that there is an overwhelming desire on the part of the people, young and old, rich and poor, men and women in all walks of life, for the establishment of a genuine democracy," he said.

The United States should refrain from supporting a particular political group in Korea," he said. It would be inappropriate for U.S. officials to endorse any particular political party or a political system it favors, he said.

He said, "On the other hand, I think it is entirely appropriate, given the interlocking nature of our interests, for American officials to express a preference for democracy over dictatorship, tolerance over torture."

The future of Korea, however, is a matter which the Korean people and the government should resolve, he said.

Solarz met with Prime Minister No Sin-yong earlier in the day.

Following the news conference held at the U.S. Information Service, Solarz left for Japan.

/9604

CSO: 4100/178

S. KOREA/FOREIGN RELATIONS, TRADE

ROK DAILY VIEWS PASSING OF 'GEPHARDT AMENDMENT'

SK010036 Seoul THE KOREA TIMES in English 1 May 87 p 8

[Editorial: "Politicized Protectionism"]

[Text] Any social and economic issue which has an impact on the people's livelihood or societal function is liable to develop into a political problem--all the more so in such an instance as the ever-growing trade deficit that seriously affects the domestic industry and employment situation.

For all that, the U.S. Congressional debate on trade issues in recent years has sometimes presented the impression that the furors at certain junctures are addressed to political causes, be they national or local, rather than to a fair resolution of the outstanding economic question per se.

For instance, the protracted clamor over trade problems on Capital Hill last year led to the control of both Houses of the Congress by the Democrats through the midterm election in November, although one must take into account many other factors for the political phenomenon.

A more recent controversy raised by the so-called Gephardt amendment to a House trade bill also appears to have a political tone, as the proponent, Rep Richard Gephardt, has reportedly made the measure a central part of his campaign for seeking the 1988 Democratic presidential nomination.

Of course, the taking-note of such political implications is far from blundering out to belittle, not even in the least sense, the grave nature of trade problems facing the Americans and, for that matter, the serious motivation and impact of the congressional moves concerned.

The stark reality is that the harsh Gephardt proposal was passed by the House, albeit in a close vote that presaged a precarious future pending trade legislation, not to speak of the threat of veto by President Ronald Reagan.

Whatever the prospects may be, the hardline bids made in various aspects certainly serve as a warning to U.S. trading partners, as they would drive the Washington administration to take tougher actions.



But then, there is the overwhelming need that a legislative or executive action should be carefully tailored not to further disturb international trade, already marred by protectionist barriers set by both advanced and developing countries.

The need as such is particularly pertinent to the United States which, still being the largest economic power and pacesetter of trade in the world, is obliged to refrain from breaching international trading agreements, let alone touching off trade wars.

Notable in this respect is the fact that the House votes coincided with Japanese Prime Minister Yasuhiro Nakasone's visit to Washington in his attempt to ease U.S.-Japanese trade friction. Since the surging U.S. protectionism has been primarily caused by the increase in Japanese exports, acute attention is also directed to the premier's performance in Washington.

/9274

CSO: 4109/183

S. KOREA/FOREIGN RELATIONS, TRADE

JAPAN, ROK AGREE TO COOPERATE ON NUCLEAR SAFETY

OW301239 Tokyo KYODO in English 1230 GMT 30 Apr 87

[Text] Seoul, 30 Apr (KYODO)--Japanese Science and Technology Agency Director General Yataro Mitsubayashi and his South Korean counterpart Yi Tae-sp Thursday agreed to cooperate with one another on security measures for nuclear energy, Japanese officials said.

Mitsubayashi stressed the importance of two conventions on early notification of nuclear accidents and on emergency assistance for countries where such accidents occur, the officials said.

The two treaties were drawn up by the International Atomic Energy Agency (IAEA) following the accident at the Chernobyl nuclear plant in the Soviet Union in April last year.

Japan signed the two pacts in March and is seeking the Diet's approval of their ratification.

Yi told Mitsubayashi that South Korea, which currently has six nuclear power stations in operation, attaches great importance to the security of nuclear plant and that it will sign the treaties.

Mitsubayashi and Yi agreed in talks here that the two countries will discuss cooperative measures for the security of nuclear energy following ratification of the pacts.

Yi also proposed cooperation in developing nuclear fuel technologies. Mitsubayashi replied he will consider the possibility, the officials said.

Both sides agreed it would be a good idea to hold a ministerial conference for promoting cooperation in science and technology among the Pacific-rim countries, they said.

/9274

CSO: 4100/183

S. KOREA/FOREIGN RELATIONS, TRADE

BHUTANESE FOREIGN MINISTER ARRIVES FOR 4-DAY VISIT

SK300127 Seoul YONHAP in English 0115 GMT 30 Apr 87

[Text] Seoul, 30 Apr (YONHAP)--Bhutanese Foreign Minister Dawa Tsering met Thursday with Korean Vice Foreign Minister O Chae-hui.

They discussed matters of mutual concern, including ways to promote bilateral friendly and cooperative relations.

In their meeting, O thanked the Bhutanese Government for supporting South Korea's positions on the peaceful unification of the Korean Peninsula through inter-Korean dialogue and the joint entry of the two Koreas into the United Nations.

Tsering reaffirmed that Thimbu will continue to support Seoul in international communities, including the non-aligned nations, and said that Bhutan hopes to strengthen economic cooperation with Korea.

O is acting for Foreign Minister Choe Kwang-su, who is in Brussels, Belgium, attending the fourth Korea-European community high-level consultations, slated for Wednesday and Thursday.

After meeting with O, Tsering paid a courtesy call on Prime Minister No Sin-yong.

Tsering arrived here Wednesday for four-day official visit at the invitation of Choe while in Korea, he is scheduled to visit industrial facilities including Hyundai Heavy Industrial Co., as well as the ancient Silla Dynasty (57 B.C.-935) capital of Kyongju.

Bhutan does not have diplomatic relations with either South or North Korea and takes a non-aligned neutralist policy.

CSO: 4100/183

## S. KOREA/FOREIGN RELATIONS. TRADE

### ROK TO REMOVE TARIFF BARRIERS, SPEED UP IMPORTS

SK180646 Seoul THE KOREA HERALD in English 18 Apr 87

[Text] Korea will purchase \$3 billion worth of facilities including super computers and non-combat helicopters mostly from the United States as part of its ongoing effort to defuse trade fiction, Deputy Prime Minister Kim Man-che said yesterday.

It will also remove most non-tariff barriers and speed up import liberalization to give U.S. products easier access to Korean markets.

Korean trading houses will receive \$2.5 billion in foreign currency loans and selected Korean concerns will be authorized to induce commercial loans and to float their convertible bonds overseas to raise another \$500 million for the purchase of the facilities, Kim explained.

The foreign currency loans will carry an annual interest rate of 1.5 percent over LIBOR (London Interbank Offered Rate), according to the Economic Planning Board (EPB).

"There will be no remarkable appreciation of the local currency against the U.S. dollar, however," the top economic administrator said.

By implementing these market opening measures, the government hopes to curb the country's trade surplus with the United States at \$7 billion this year while confining the current account surplus to \$5 billion, Kim explained.

If no market opening measures are taken the country's trade surplus with the United States will top \$9 billion this year, up from last year's \$7.3 billion, and the current account surplus will reach \$8 billion, up from last year's \$4.6 billion, according to a forecast by the Korea Development Institute (KDI).

The government will rewrite about 40 laws to ease import restrictions, and remove most of 106 items from import surveillance.

The top economic administrator said a self-restraint formula will be applied to commodities whose exports to the United States are surging.

Kim said, "Import liberation for American manufactured goods, including computers and peripherals, will be advanced, with more service markets open to foreign firms."

The government will increase fiscal spending in the social overhead capital sector such as roads, piped-water supply systems and housing, in an effort to stimulate local demands while encouraging facility and R&D investment.

"For public projects, the government will selectively introduce public loans from foreign countries," Kim said.

Stressing the need for slashing bank loans to siphon off excess liquidity caused by the rising current account surplus, Kim said banks will continue to reduce facility and export loans to big enterprises.

In an effort to curb the current account surplus, the authorities will monitor remittances from Korean overseas residents, Kim said.

Kim said the total money supply growth rate will be curbed at 18 percent this year. The total money supply, M2, comprises currency in circulations [words indistinct].

Government measures to curb the rising current account surplus come at a time when the U.S. Congress is moving for legislation of tougher trade laws and calling for tougher actions against unfair trade practices by U.S. trade partners.

Kim also said, "There will be no revision to this year's economic management plan, which projected, among other things, a GNP growth rate of 8 percent and an inflation rate of 2-3 percent."

Thanks to the rising current account surplus, Korea repaid \$1.7 billion of foreign loans during the first quarter of this year to reduce its outstanding foreign debt to \$42.8 billion, he added.

/9274

CSO: 4100/183

## 517 FOREIGN TECHNOLOGIES PAID \$411 MILLION FOR ROYALTIES

Seoul THE KOREA TIMES in English 18 Apr 87 p 7

[Text]

Industrial concerns brought in a total of 517 foreign technologies last year, paying \$411 million in royalties, the Finance Ministry announced yesterday.

The number of foreign technologies transferred to business firms last year increased 13.9 percent from the 454 brought in the previous year and the payment of royalties rose 39.1 percent from \$296 million.

As business concerns began to introduce foreign technologies from 1962 in order to manufacture quality products, a total of 4,055 foreign technologies were introduced until last year at a cost of \$1,750 million in royalties.

Of the 517 foreign technologies transferred last year, Japan accounted for the largest portion (264 technologies or 51 percent), followed by the United States (157, 30.4 percent), West Germany (23, 4.4 percent) and France (19, 3.7 percent).

However, in payment of royalties, the United States outran Japan as it took \$192 million or 46.6 percent of the total \$411 million in contrast with \$130 million or 31.5 percent taken by Japan.

West Germany took \$19 million or 4.6 percent, securing third position on the list, and France accounted for \$17 million or 4.2 percent, taking fourth place.

Industrywise, the machinery sector brought in 170 technologies or 32.9 percent of the 517 technologies introduced from abroad last year, followed by the electric and electronics field with 137 (26.5 percent), the chemical sector with 108 (20.9 percent) and the textile field with 24 (4.6 percent).

However, the electric and electronic industry led other sectors in the payment of royalties as it was responsible for \$148 million or 36 percent of the \$411 million paid to foreign countries last year.

The machinery sector took second place with the payment of \$103 million

(25.1 percent), followed by the chemical field with \$52 million (12.7 percent).

As for contrast periods, 169 technologies or 32.7 percent of the 517 foreign technologies arriving last year were to be used for up to three years and 237 or 45.8 percent between three to five years.

The number of foreign technologies to be used for between five to 10 years stood at 98 or 19 percent of the total and foreign technologies to be used for more than 10 year accounted for 13 or 2.5 percent.

In the meantime, business industrial concerns brought in 125 foreign technologies during the first quarter of this year, paying \$59 million in royalties.

The 125 technologies break down to 70 from Japan, 26 from the United States, nine from France, seven from West Germany and 13 from other countries.

Of the \$59 million paid in royalties, \$28 million went to the United States, \$18 million to Japan, \$4 million to West Germany, \$1 million to France and \$8 million to other countries.

The Finance Ministry said that business concerns have in recent years tended to bring in foreign technology related to the semiconductor and automotive industries, which produce high added value.

Meanwhile, business concerns introduced 255 foreign patent rights and 108 foreign trade marks last year.

34 of the foreign trade marks were brought in for consumable goods last year, compared with the importation of 25 trade marks the year before.

The government liberalized the importation of foreign trade marks on July 1 last year.

The Finance Ministry said that the list of foreign technology which has been brought in since 1962 would be distributed to industrial concerns this month to help them import new kinds.



## N. KOREA/ECONOMY

### SEVEN-YEAR ECONOMIC PLAN UNDER YI CABINET

Seoul NAEWOE TONGSIN in Korean No 529 20 Mar 87 pp 1A-9A

[Text] At the 12th session of the 6th Party Central Committee (PCC) meeting and at the first session of the 8th Supreme People's Assembly (SPA) meeting held in late December 1986, the basic direction of the third 7-year economic plan started in 1987 was discussed, together with the problem of the power structure.

It is known that only basic tasks and the direction of their promotion were discussed while detailed plans will be discussed at the second session of the 8th SPA meeting in the spring.

So far North Korean economic plans have been carried out in relation to the political problems of the development of their revolution; therefore the third 7-year economic plan cannot be an exception. As was disclosed in Kim Il-song's keynote address, the third 7-year economic plan starting from this year (1987-93) is more politically meaningful in the creation of a material basis for the goal of a "complete victory of socialism." The "complete victory of socialism" that North Korea is advocating means the achievement of a classless society, and in order to accomplish this they must eliminate the difference between the urban and rural areas and the class distinction between the workers and farmers. There are difficulties in that all the plans should be promoted in close relation to the simultaneous achievement of such political goals during the third 7-year economic plan.

We are going to analyze the basic contents of the third 7-year economic plan in several ways, which demonstrate such characteristics, and what direction the current Yi Kun-mo cabinet should pursue.

In his keynote address (30 December 1986) Kim Il-song said, "The basic tasks of the third 7-year economic plan are to establish the materialistic and technical bases for the ultimate victory of socialism by forcefully accelerating the chucheization, modernization and scientification of the people's economy." And by saying, "We have to achieve the 10 prospective goals of the socialist economic construction that the 6th party congress proposed, and also increase industrial production by 1.9 times and agricultural production by 1.4 times," he emphasized that the basic task is to achieve the previously proposed 10 prospective goals.

The 10 prospective goals were proposed by the 6th party congress held in October 1980 as the tasks of the eighties; the goals by 1989 are 100 billion kWh of electricity, 120 million tons of coal, 15 million tons of steel, 1.5 million tons of non-ferrous metals, 7 million tons of chemical fertilizer, 20 million tons of cement, 1.5 billion meters of textiles, 15 million tons of grain, 5 million tons of marine products, 0.3 million chongbo (0.735 million acres) of tidal land reclamation. During the second 7-year economic plan, they set up the 10 prospective goals as their major objective and have been promoting their achievement extensively, but have accomplished substantially less than they had hoped for. Thus, the original plan for reaching the goals by 1993 has been changed and extended for 4 years.

#### Secondly, the Direction for Promoting the Third 7-Year Plan

They established four directions for promoting the third 7-year economic plan with basically 10 prospective goals; namely, the development of science and technology, reconsideration of production capability in the area of key industries, drastic improvement of people's life and enhancement of the economic guidance and enterprise management.

The four directions are not new but something that they have been promoting for a long period of time. Since they could not achieve them as they planned, they are just reiterating them again.

As for the enhancement of the people's daily life, they make a big issue of a smooth settlement of the problem of "clothes, food and shelter [the basic necessities of life]" by promoting the "We have to upgrade the people's overall living standard by solving the problem of food, clothes and shelters during the period of the prospective plan." The same argument has been repeated for 30 years since the first 5-year plan started in 1957.

As for the enhancement of economic guidance and the enterprise management, they have been emphasizing the scientification and rationalization, saying "We have to rationalize enterprise management by utilizing various economic spaces properly consistent with the transient characteristics of the socialist society"; under the premise that "We have to achieve the Tae'an work system thoroughly in every aspect of the people's economy. This is also not new since it has already been suggested in the process of accomplishing the first 7-year plan during the 1960's.

As such, some of the promotion directions of the third 7-year plan are just a repeat of what has already been promoted.

#### Thirdly, the Direction of Yi Kun-mo Cabinet

It was from the 6th cabinet with Yi Chong-ok as premier, established in December 1977, that an economic bureaucrat was appointed premier in the North Korean regime. Before then people like Kim Il-song or Pak Song-ch'ol with the so-called partisan [guerrilla] background had been occupying the position for about 30 years.

This implies that starting from the beginning of the second 7-year plan (1978-84) the nature of the cabinet has been changed to emphasizing the economic development.

The second 7-year plan initiated by Premier Yi Chong-ok brought about a big delay in schedule from the original plan. When the delay in schedule became obvious, they replaced the premier with Kang Song-san and tried very hard to revitalize the stagnant economy through some opening measures such as expanding the trade with foreign countries and promulgation of the rational management law but did not achieve any noticeable result.

The fact that the premier was replaced with Yi Kun-mo in establishing the 8th cabinet, that the State Planning Committee Chairman Hong Song-nam was appointed first vice premier, and staff members such as Pak Nam-gi, Kim Hwan and Kim Pok-shin were reappointed, gives us an impression that they went back to the original economic policy.

Since the third 7-year plan, unlike the second one, is promoted in an environment where the relationship with the Soviet Union is improving, they have to consider this factor in selecting their economic policy.

At one time North Korea tried to accept the open policy in the same way as China, but since their relationship with the Soviet Union was normalized after Kim Il-song's visit and the economic cooperation between the two countries improved substantially, they are inclined to rely totally on the Soviet Union.

In December 1985, the then Premier Kang Song-san visited Moscow and signed the 5-year economic cooperation treaty and agreed to increase the trade volume during 1986-90 to twice that of 1981-85; and in various areas such as nuclear power plants, steel production, exploration of sea bottom minerals and the development of the city of Pyongyang they are importing advanced technology from the Soviet Union; and in the construction of major industrial facilities they rely heavily on aid from the Soviet Union. With this in the background, the fact that Kim Il-song reemphasized the traditional closed economic policy in his keynote address, "We should step forward by strongly adhering to the line of the independent socialist people's economy, and accelerate even more vigorously the chucheization, modernization and scientification of the people's economy," can be considered as a denial of the change in direction toward an open policy such as China's; and it became clear that they will manage their economic policy in a centralized manner and by means of "exact plans, calculations, and statistical methods."

Furthermore, their assertions that the banner of the people's regime and the three revolutions themselves are the banner of independence, socialism, and communism, and that the "People's regime should be vigilant so that the poisonous capitalistic and revisionistic ideology cannot penetrate it and we must firmly struggle against any attempt by this ideology to invade the socialist system." Such assertions strongly ignore any room for options in choosing economic policies.

As is known, the North Korean cabinet is under the control of the CPC [Central People's Committee] headed by Kim Il-song, and has only the responsibility of

blindly executing Kim Il-song's "revolutionary thoughts and instructions." Furthermore, since it is acting under the direction of Kim Il-song, who is the commander of socialist construction, we cannot think of any independent adoption of the policy [by the cabinet]. In other words, they have no choice but to carry out the policies intended by Kim Il-song and Kim Chong-il.

However, North Korea cannot emerge from the economic slump of the first 7-year plan started in the 1960's, and it has also failed in the 6-year plan in the 1970's and later in the second 7-year plan. It is a general observation that the third 7-year plan starting from this year will not be an exception.

The basis for such an observation are as follows: enormous debt and difficulties in earning foreign currency, low technological standard and exports with low added value, wornout facilities and the impossibility to rebuild technical equipment, plus the existence of an irrational and inefficient centralized management style.

The transfer of power from Kim Il-song to his son Kim Chong-il, which is the target of international criticism definitely acts as a basic factor in decisively hindering economic development.

Considering such characteristics of the North Korean cabinet and the economic situation, prospects for the third 7-year economic plan are very dim; and a new and drastic revitalizing measure should be created.

It is only possible if they pursue economic cooperation with Western, developed capitalist countries and an open policy even at the expense of lessening the chances of transfer of power from Kim Il-song to Kim Chong-il, and the solitary leadership of Kim Il-song, which North Korea cannot even consider.

It is clear that judging from the establishment of the Yi Kun-mo cabinet under the inheritance system of Kim Il-song and Kim Chong-il, they are pursuing the third 7-year economic plan in the direction of heavily relying on the Soviet Union without deviating much from the scope of the "chuche economy."

Therefore, with the excuse of a total victory of socialism, the people's ideological mobilization for economic development will become even more intense; and it is anticipated that the people's living standard may not improve significantly from the current distressed condition, where a low growth rate will continue to prevail.

13302  
CSO:4107/157

END

**END OF**

**FICHE**

**DATE FILMED**

July 23, 1987